



**Virginia
Regulatory
Town Hall**

**Notice of Intended Regulatory Action
Agency Background Document**

Agency Name:	18
VAC Chapter Number:	135
Regulation Title:	Real Estate Board Rules and Regulations
Action Title:	Amending
Date:	03/19/01

This information is required prior to the submission to the Registrar of Regulations of a Notice of Intended Regulatory Action (NOIRA) pursuant to the Administrative Process Act § 9-6.14:7.1 (B). Please refer to Executive Order Twenty-Five (98) and Executive Order Fifty-Eight (99) for more information.

Purpose

Please describe the subject matter and intent of the planned regulation. This description should include a brief explanation of the need for and the goals of the new or amended regulation.

The purpose of the proposal is to:

Make general clarifying changes;

Eliminate definitions contained in statute;

Review advertising regulations to incorporate regulations regarding internet advertising;

Insure consistency with State law;

Review fees for compliance with the Callahan Act; and

Make other changes which may result from the Department's periodic review of the regulations.

Basis

Please identify the state and/or federal source of legal authority to promulgate the contemplated regulation. The discussion of this authority should include a description of its scope and the extent to which the authority is mandatory or discretionary. The correlation between the proposed regulatory action and the legal authority identified above should be explained. Full citations of legal authority and, if available, web site addresses for locating the text of the cited authority must be provided.

Section 54.1-2105 of the Code of Virginia states that the Board "may do all things necessary and convenient for carrying into effect the provisions of this chapter and may promulgate necessary regulations."

Substance

Please detail any changes that would be implemented: this discussion should include a summary of the proposed regulatory action where a new regulation is being promulgated; where existing provisions of a regulation are being amended, the statement should explain how the existing regulation will be changed. The statement should set forth the specific reasons the agency has determined that the proposed regulatory action would be essential to protect the health, safety or welfare of citizens. In addition, a statement delineating any potential issues that may need to be addressed as the regulation is developed shall be supplied.

Eliminate definitions contained in statute, such as "client" and "standard agent". Review definition of "supervising broker" for clarity and consider addition of definition of "managing broker".

Clarify qualification sections. For example add specificity to the criminal conviction section and clarify time frame to submit a complete application after passing the examination.

Amend continuing education requirements to delete language regarding requirements prior to January 1, 1999.

Clarify Standards of Practice provisions regarding "place of business" and "branch office". Current provisions use these terms interchangeably without clear definition.

Review internet advertising provisions from other states and standard language provided by the Association of Real Estate License Law Officials to determine whether changes to current provisions are recommended.

Amend Standards of Conduct provisions to include potential disciplinary action for disciplinary actions in other jurisdictions. This would make the Standards of Practice provisions consistent with Qualifications provisions.

Review provisions regarding schools and courses to ensure consistency with changes to statute.

Alternatives

Please describe, to the extent known, the specific alternatives to the proposal that have been considered or will be considered to meet the essential purpose of the action.

Failure to adopt these changes will result in regulations not being as clear as possible, lack of regulations regarding internet advertising could have an adverse impact on the public.

Family Impact Statement

Please provide a preliminary analysis of the potential impact of the proposed regulatory action on the institution of the family and family stability including to what extent the regulatory action will: 1) strengthen or erode the authority and rights of parents in the education, nurturing, and supervision of their children; 2) encourage or discourage economic self-sufficiency, self-pride, and the assumption of responsibility for oneself, one's spouse, and one's children and/or elderly parents; 3) strengthen or erode the marital commitment; and 4) increase or decrease disposable family income.

The proposed changes are expected to have no impact on families.